

No. 15,328

United States Court of Appeals
For the Ninth Circuit

RALPH F. STALLMAN,

Appellant,

VS.

CASEY BEARING COMPANY, INC., a corporation, and T. W. CROSBY,

Appellees.

APPELLANT'S REPLY BRIEF.

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APPELLANT'S REPLY BRIEF.

The arguments of appellee in its brief were in the main anticipated and answered in appellant's opening brief. It seems necessary, however, to comment upon certain phases of appellee's argument in order to further clarify the issues. Therefore, if in order to avoid repetition, appellant does not answer some point or argument of appellee, it is to be understood that appellant does not thereby intend to concede the correctness of appellee's such point or argument or reasoning.

A JURY VERDICT IN PATENT CASES IS ENTITLED TO THE SAME CONSIDERATION AS JURY VERDICTS IN OTHER CIVIL CASES.

Appellant in his opening brief endeavored to frame the issues in the light of general rules applicable to

directed verdicts and judgments notwithstanding the verdict (Appellant's Opening Brief, pages 9 to 12), and appellee's charge on pages 3 to 7 of appellee's brief that appellant places a "halo around the jury's verdict in every patent case" is incorrect.

Appellant has no quarrel with the rules of the cases cited by appellee in its argument. Namely, appellant does not question the right of the trial Court to set aside the finding of a jury "*if there are no grounds for the verdict*" (*Hansen v. Safeway Stores, Inc.*, 238 F. 2d 336).

But, as summarized in Barron and Holtzoff, Federal Practice and Procedure, Rules Edition, Vol. 2, pp. 774-775:

"The Court has power to enter judgment notwithstanding the verdict *only for one reason*—the absence of *any* substantial evidence to support the verdict. Obviously then a judgment n.o.v. should not be entered if the evidence is sufficient to present a jury question or if the verdict is supported by substantial evidence." (Emphasis ours.)

In considering the evidence in the instant case the general rule also applies that "all facts which plaintiff's evidence reasonably tends to prove and all favorable inferences fairly deducible from those facts, *must be* assumed in support of the verdict" (5 Moore's Federal Practice Sec. 50.13, 2346).

Hence appellee's argument that "here there was abundant evidence of prior art or anticipation sufficient to take the case out of the province of the jury"

does not correctly reflect the applicable rules of law. Appellee reaches such conclusion by assuming all inferences against the verdict and none in support of the verdict.

Appellee's discussion of a "double standard" for testing the invention is meaningless in this case, especially when appellee does not anywhere quote any standard it may have in mind. Appellant contends that the standard for testing the invention was stated in the Court's instruction to the jury (quoted on page 9 of appellant's opening brief), and the differences in the instant case are not in the standards applied but simply that the jury drew inferences from the evidence favorable to plaintiff, while the Court and appellee resolve all inferences against the plaintiff and against the verdict of the jury.

Even if the prior art could be interpreted in two different ways, particularly as to function and mode of operation, all inferences must be drawn in favor of the verdict and not against the verdict as contended by appellee.

THE PRIOR ART AND THE PATENT IN SUIT SHOULD BE INTERPRETED IN THE LIGHT OF FUNCTION AND MODE OF OPERATION.

Appellee on pages 7 to 15 of its brief directs its arguments to pointing out physical similarities between the Stallman patent and the prior patents. Of course there are such similarities and the jury was well instructed as to those. All these patents pertain

to roller bearings. All contain an inner and an outer race and rollers between.

The prior art attempted to remedy the defect of such roller bearings apparently unsuccessfully since 1897. However, nowhere in appellee's brief is it suggested that any of the alleged prior patents perform or are capable of performing, the functions of the Stallman patent and by the same mode of operation, unless changed from what they are.

The Stallman patent solves the problem of excessive friction due to "misalignment" or "skewing" by "self-correction," as shown in Fig. 7 of the Stallman drawings and described in the Stallman patent (Vol. II, p. 288, second column, lines 30-50). None of the prior patents solve this problem in any similar manner. Appellee, therefore, limits its argument to enumeration of physical elements of prior bearings and then suggests that such prior elements could be reorganized in imitation of the Stallman invention. This, of course, is the "hindsight" rule discussed on page 20 of appellant's opening brief.

KEMPSTER PATENT NO. 585,580.

Appellee apparently does not argue that this Kempster patent can be interpreted in favor of the verdict as on pages 14 and 15 of appellant's opening brief, but appellee argues that if the spacer rollers were omitted from this Kempster patent, it could function like the Stallman invention. In this appellee disre-

gards the statement in this Kempster patent to the effect that the rolls are held by "direct contact of the central grooves of the rolls with the rigid annular projecting rib" (Vol. II, p. 296, lines 52-55). Therefore, as explained in our opening brief, Kempster cannot perform the repeated self-correction in the manner of the Stallman bearing. At any rate, the modifications of this Kempster patent are without any suggestion from this Kempster patent and constitute a theoretical reconstruction of this Kempster patent.

Defendant's expert endeavored to demonstrate such modified structure to the jury, but on cross-examination had to admit that it was a theoretical design and he did not know of anyone who made one like it (Vol. II, pp. 246-249).

Thus the jury had opportunity to observe demonstrations and explanations and drew the inference that the modifications and changes of this Kempster patent suggested by appellee's expert were not feasible and not obvious to the man skilled in the art. While appellee and the District Court may draw some other far-fetched inferences from this patent, it cannot be successfully argued by plaintiff that there is no evidence to support the verdict.

KEMPSTER PATENT NO. 747,324.

Appellee in its argument concedes that this Kempster patent is predicated on the use of two guide ribs in the bearing one on the inside race and the other at the outside race.

The District Court erroneously held that this Kempster patent in two of the Figures showed only one guide rib. Thus at least there is agreement on the Court's misunderstanding of this patent.

Appellee tries to rectify this by the argument that one of the guide rings would be the primary guide rib and the effect of the other would be negligible. That is not what Kempster taught, and appellee has no fact or evidence on which such theory could be based. This is simply another inference drawn against the verdict and it is untenable.

THE ZAHN BRITISH PATENT NO. 17,841.

Zahn did not illustrate and describe the principle of the Stallman patent. Zahn provided a flange on each end of the roller outside of the actual bearing surface which flanges extend over and beyond the edges of the race.

This point will be best illustrated by quoting the part of the Zahn specification, which describes Fig. 1 of the Zahn drawing:

“Referring to Fig. 1, the roller a rolls between the lower bearing member b and the upper bearing member c, which have a relative longitudinal movements, the upper member, for example, moving in the direction of the arrow. The roller is provided with flanges d at its ends which extend over the edges or shoulder 9 of the bearing member b and run clear of said edges in normal operation” (Vol. II, p. 292, lines 19 to 23).

Then Zahn specifies as to a modified form where the end flanges run along track rings:

“It is essential to the operation according to the above described paragraph that the clearance at the outer side or shoulder of the track rings g should be less than that at the inner side thereof, so that whenever frictional engagement takes place, it will be at the outer side” (Vol. II, p. 293, lines 10-15).

This British patent tried to solve the vexing problem in 1906 by end flanges and tracks outside of the bearing surface proper. Apparently the trial Court recognized this and therefore did not rely on this patent in setting aside the verdict of the jury.

THE HEIM PATENT.

Appellee argues that because Heim did not expressly disclaim use of a guide rib on the stationary race, hence the inference should be that Heim taught such combination. Also appellee in effect argues that because there were in the prior art some rollers somewhat loose on a guide rail, it should be inferred that the Heim patent could be changed from its expressed tight engagement between the rib and groove without invention. But appellee overlooks that such changes would be in direct conflict with the express teaching and inventive concept of Heim, and that the bearing of the Heim patent without such changes could not perform the functions of the bearing of the Stallman patent.

THE STALLMAN CONCEPT IS DESCRIBED AND CLAIMED
IN THE STALLMAN PATENT.

Appellee's attitude in its argument is self-contradictory. Appellee takes all sorts of liberties with the prior art patents by changing, reconstructing and remodeling them, but on pages 15 to 21 and 24 to 28 of its brief appellee takes exception even to the use of synonyms in describing the concept of the Stallman patent. Of course, appellee is consistent in its attitude of insisting on resolving all inferences against the verdict of the jury.

The term "misalignment" in the Stallman patent is used synonymously with "skewing." The unbalanced forces on the misaligned (or skewed) rollers are described in terms of leverages in the Stallman patent. The Stallman patent describes the ultimate function and operation of the claimed bearing.

The Stallman patent states:

"A further object of the invention is the provision of a needle type bearing in which the thrust action set up by *misalignment* of the needles is minimized and is *self-correcting* through the roll action of the bearing" (Vol. II, p. 287, second column, lines 6-10).

Then:

"In Fig. 2 the assembly shown is the same as that shown in Fig. 1 with the exception of the positions of the rings 15 and 16, which have been reversed. In this figure the ring 15 is received by a groove in the outer periphery of the inner race 11 and the ring 16 serves to hold the needles in place against the inner race when the outer race

is removed. The construction illustrated in Fig. 1 is preferable where the bearing is used on a revolving shaft and the construction of Fig. 2 is preferred where the shaft is stationary and a member carried by the outer race of the bearing revolves. In both cases, the theory of operation of the bearing is identical" (Vol. II, p. 288, column 1, lines 19 to 33).

If the words "preferable" or "preferred" were omitted from the above sentence, the sole premise for appellee's entire argument fails and the description of the claimed feature of the guide rib on the stationary race would become sufficient. This certainly would be a flimsy premise for holding a patent invalid in the face of a jury verdict of validity.

Then the Stallman patent specifies:

"Referring now to Fig. 7 wherein three needle rolls constructed in accordance with the present invention, are diagrammatically illustrated, the central needle roll has assumed the same *misaligned* position and has come into *frictional* engagement with the ring 15 at the point a. The needle rolls are in this case also rolling in the direction of the arrow b, but the force which tends toward misalignment takes place only between the point a and the left hand end of the needle. This is less than one-half the length of the needle. On the other hand, the *force tending to correct this misalignment, or advance the retarding position* of the needle takes place between the point a and the right hand end of the needle which is more than one-half its length. Consequently, the tendency in normal operation of the bearing is for

the misaligned needle to assume proper alignment rather than to increase its angularity and transmit the same to all of the needles in the bearing."

We submit that if the words "skewing" and "skewed" are respectively substituted for the words "misalignment" and "misaligned" in the above quoted paragraph, then the premise for appellee's argument on the insufficiency of disclosure fails completely. The above quoted paragraph of the Stallman patent, taken with Fig. 7 of the drawing, which shows the roller in misaligned (skewed) position, is sufficient explanation of the Stallman invention for a man skilled in the art.

The description contained in appellant's opening brief describes the same invention substantially in the same terms and in terminology evolved by the experts and the Court during the trial and is predicated on the record.

Appellee's criticism of the claims of the Stallman patent is untenable on the grounds and quotations above set forth. Claim 3 distinguishes from Heim in that it specifies the "relatively stationary *outer* race," and the ring "on the outer race," neither being present in the Heim patent.

Claim 4 specifies the "means carried by the *stationary* race *only* and engageable with the rolls *intermediate* their ends in the event they become *misaligned* with their normal positions."

Claim 5 specifies "means carried by the *stationary* race *only* and projecting into the reduced portions of

the rolls to engage *shoulders* formed by said reduced portions in the event of *misalignment* of the rolls."

Claim 9 specifies: "a ring carried by the *outer* race and registering within the reduced portions of the rolls to engage the rolls in the event they become *misaligned* with their normal position."

If the word "skewed" is substituted for "misaligned" in these claims the main premise for appellee's argument against the claims fails, because there is no authority that requires a claim to be so functional as to describe in detail the interaction of forces when the elements of the combination coact and function in a manner set forth in the claims.

Appellee, therefore, interprets the Stallman patent in its own way. Appellee overlooks the well established rules that patents "under the fair application of the rules, *ut res magis valeat quam pereat*, are, if practicable, to be so interpreted as to uphold and not to destroy the right of the inventor" (Walker on Patents, Deller's Edition, Vol. II, pp. 1205-1206); "Nor is a patent void on the ground that the principle of the invention is not fully understood; or if understood by anyone, not understood alike by all . . ." (Walker on Patents, *supra*, p. 1228).

CREDIBILITY OF DEFENDANT'S WITNESS.

Appellee on page 22 of its brief recognizes that this case cannot be judged in the abstract by theorizing about what a prior patent could or could not do if

changed or modified so appellee relies on evidence which appellee terms "uncontroverted." Doubt was cast upon the exhibits and the testimony of Mr. Hoffman, to which appellee refers regarding multiple bearing units during his cross-examination (Vol. II, pp. 142-145). Furthermore, that testimony was also rebutted in important part on rebuttal testimony (Vol. II, p. 259). Weighing and evaluating the credibility of this witness and of defendant's expert and his experiments, are clearly the function of the jury.

OBVIOUSNESS.

Applying the "obviousness" test to specific cases, it must be observed that the cases where it is most difficult to say that the invention would have been obvious to those skilled in the art, are those cases in which the evidence clearly shows that those most skilled in the art have sought a solution to a particular and perplexing problem for many years, but have been without success until the discovery of the patentee (The Georgetown Law Journal, Vol. 44, page 119).

Appellee's argument and the trial Court's opinion demonstrate that men skilled in the art concerned themselves with this problem since 1896. The evidence before the jury showed that prior to Stallman such attempts were impractical (Vol. I, pp. 172, 173, 188, 219-222, 227, 241 to 251).

Appellee's expert, a professor, and an author of a book on machine design (Vol. I, p. 153) conceded that

the problem existed (Vol. I, p. 165) and that he did not know of a solution for it prior to the time he was informed of the Stallman invention (Vol. I, p. 228).

Appellee's president, long in the bearing business, recognized the value of Stallman's discovery (Vol. I, pp. 110, 111). McGill Company paid royalty on it (Vol. I, p. 68). Both announced the Stallman discovery to the trade as "revolutionary."

The trial Court in treating with the Stallman discovery disregarded its environment, the problems it solved, the previous attempts for half a century, and the ultimate success after Stallman's discovery, and decided the case on three prior patents because those patents in the abstract superficially looked like the Stallman bearing. Then the Court disregarded the fact that neither of those prior art bearings could perform similarly to the Stallman beading unless the prior art was changed in the light of the Stallman discovery.

Such consideration of the patent is erroneous. It is true that the patent is a very narrow one in a crowded art, but it is not unprecedented that upon proper consideration of all factors such patent is valid.

In *Goodyear Tire & Rubber Co. v. Ray-O-Vac Co.*, 321 U.S. 275, 279, 64 S. Ct. 593, 88 L. Ed. 721, 724, the Supreme Court held:

"Viewed after the event, the means Anthony adopted seem simple and such as should have been obvious to those who worked in the field, but this is not enough to negative invention. During

a period of half a century, in which the use of flashlight batteries increased enormously and the manufacturers of flashlight cells were conscious of the defects in them, no one devised a method of curing such defects. Once the method was discovered, it commended itself to the public as evidenced by marked commercial success. These factors were entitled to weight in determining whether the improvement amounted to invention and should, in a close case, tip the scales in favor of patentability.”

The Court in the instant case instructed the jury as in *Oxnard Cannery v. Bradley*, 194 F. 2d 655, wherein on appeal this Honorable Court ruled:

“Appellants’ first specification of error lies in the contention that there was no evidence to support the verdict of the jury on the issues of validity and infringement. In testing the sufficiency of evidence to sustain a verdict in favor of plaintiff, the evidence and all reasonable inferences deducible therefrom must be considered in the light most favorable to plaintiff and any conflict in the evidence must be resolved in favor of the jury’s findings. Where a jury, under instructions against which no complaint is made, finds for the plaintiff, the plaintiff is entitled on appeal to have considered as true all evidence which was offered upon controlling issues and were entitled to all inferences reasonably to be drawn therefrom. *Zarek v. Fredericks*, 3 Cir., 138 F. 2d 689, affirming D.C., 49 F. Supp. 65.”

and then:

“It is too late in the proceedings for appellants to here urge that these matters should have been

determined by the Court. No such contention was advanced below and no exceptions were taken to the instructions of the Court submitting these questions to the jury. In effect, appellants would have this Court substitute itself for the jury by re-evaluating the evidence. This Court has previously held that issues of the character here presented are questions of fact. See *Faulkner v. Gibbs*, 170 F. 2d 34; *Id.*, 338 U.S. 267, 70 S. Ct. 25, 94 L. Ed. 62 and cases cited therein.”

“In addition to the foregoing conditions, appellants also argue that the claim in suit is void not only because all the elements of the claim are old, but also because the claim embodies in conjunction several distinct units of invention. This fact question was properly resolved by the jury under appropriate instructions which contained a minimum of technical verbiage, and were marked by succinctness and lucidity. No objection was taken to any of the instructions, so we are not compelled, at this late stage, to consider any error occurring therein. The jury’s verdict was supported by substantial evidence and was not clearly erroneous.”

We submit that in testing the sufficiency of evidence to sustain the verdict in favor of the Stallman patent, the evidence in the instant case and all reasonable inferences deducible therefrom must be considered in the light most favorable to plaintiff and any conflict in the evidence must be resolved in favor of the jury’s findings.

CONCLUSION.

Appellant, therefore, respectfully urges this Honorable Court to view the Stallman patent in its proper historic aspect, as the first practical solution of an evidently long vexing problem and in interpreting the prior art and the Stallman patent draw all inferences and intendments in favor of the verdict that the Stallman discovery was at the time of his invention unobvious to a man skilled in the art and the patent in suit is valid.

We respectfully submit that the judgment notwithstanding the verdict be reversed and the jury's verdict reinstated.

Dated: San Francisco, California,

April 8, 1957.

Respectfully submitted,

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